

RESOLUTION 2014-65
CITY OF STURGIS TAX EXEMPT PUBLIC PURPOSE RESOLUTION

WHEREAS, THE CITY OF STURGIS is a legally organized municipality of the first class, within the definition of SDCL 9-2-1, and

WHEREAS, CITY desires to purchase from First Interstate Bank certain property located within the City of Sturgis, South Dakota, having the address of 1201 Main Street and informally referred to as the Second Street Plaza; and

WHEREAS, CITY shall make use of the subject property for public gatherings, community events, and development as a year-round tourist destination as a means to catalyze further economic development in Downtown Sturgis; and

WHEREAS, First Interstate Bank of Sturgis has been and is strongly supportive of these economic development efforts and seeks to work cooperatively with the CITY in order to help foster a thriving Downtown area within the city of Sturgis; and

WHEREAS, CITY intends to make a significant investment of municipal and economic development funds on a multi-year program of investment in enhancements to the Second Street Plaza area and adjoining streets; and

WHEREAS, in order to most effectively make public improvements to Second Street Plaza, the CITY must either own the premises on which the improvement are planned to be made; and

WHEREAS, First Interstate Bank supports the CITY's intention to make public improvements to the Second Street Plaza; and

WHEREAS, First Interstate Bank supports the CITY's intention to make public improvements to the Second Street Plaza by offering a financing package to assist the CITY in its purchase of the subject property, and

WHEREAS, the parties desire to have the financing package offer the subject property recognized as tax exempt as regards the interest that will accrue on the financing to be provided by First Interstate Bank.

NOW, THEREFORE, be it hereby resolved that

The CITY OF STURGIS has designated the First Interstate Bank Second Street Plaza loan as a qualified tax exempt obligation within the meaning of Internal Revenue Code (IRC) Section 265(b)(3), and

BE IT FURTHER RESOLVED that the CITY OF STURGIS is a qualified small issuer within the meaning of Internal Revenue Code Section 265(b)(3)(C), and

BE IT FURTHER RESOLVED that the CITY OF STURGIS represents that the limitations specified in Internal Revenue Code Section (b)(3)(D) have not been, nor will be, exceeded during the year (considering the aggregation rules set forth in Internal Revenue Code Section 265(b)(3)(E)), and

BE IT FURTHER RESOLVED that the Mayor of the City of Sturgis is hereby authorized to execute and deliver on behalf the City Internal Revenue Service form 8038-G, along with all other IRS documents as may be necessary evidencing this Resolution, without further action by the City Council.

Dated this 15th day of December, 2014.

CITY OF STURGIS

Mayor Mark Carstensen

ATTEST:

Fay Bueno
City Finance Officer

Published: 12/24/2014
Effective: 01/14/2015